

FISCAL NOTE

HB 2923 - SB 3111

April 5, 2004

SUMMARY OF BILL: Prohibits TennCare from restricting access for prescription medicine for enrollees who suffer from serious mental illness and for seriously emotionally disturbed children. Allows drug utilization review, peer review and other managed care techniques.

ESTIMATED FISCAL IMPACT:

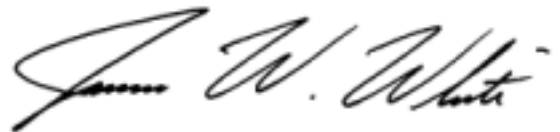
Increase State Expenditures - Exceeds \$1,000,000

Other Fiscal Impact - Increase Federal Expenditures - Exceeds \$2,000,000

TennCare currently requires prior approval for certain drugs, including some that would be covered by this bill. According to the TennCare Bureau drugs prescribed by behavioral health organizations are not subject to prior restraint. This bill would cover all drugs prescribed for SPMI and SED enrollees for any diagnosis. Allowing unfettered access to these drugs would increase pharmacy costs. The amount cannot be determined but is estimated to exceed \$3,000,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director